

DISTRICT'S FY 2004 YEAR IN REVIEW

Growing demand from the small business community helped create another record-breaking year in FY 2004 for lending activity by the SBA Georgia District Office. Other agency programs also saw significant achievements in the state during the past fiscal year.

The District approved 2,040 loans under its 7(a) Program during the year ended Sept. 30, 2004, an increase of approximately 36 percent over 1,508 loans registered in FY 2003. The latest loans were valued at some \$405.4 million, or 11.9 percent above the \$362 million recorded last year in Georgia.

Loan proceeds under the 7(a) Program can be used for most business purposes including working capital, machinery-equipment, fixtures, land and buildings. The 7(a) Program operates through banks and other private-sector lenders that provide loans guaranteed by the SBA.

The District had a 32.8 percent increase in numbers of 504 Economic Development Loans with 182 approved for a total of \$99.2 million during FY 2004. A year ago, there were 137 loans made, totaling \$77.9 million, under the 504 Program. These loans are issued through SBA Certified Development Companies and provide long-term, fixed-rate financing for real estate, machinery and other components in primarily small business expansions.

There were also strong increases in District loans to minority and women-owned businesses under the 7(a) and 504 Programs. Loans to these categories increased approximately 46 percent each. SBA guaranteed loans to businesses in rural areas jumped by 51 percent over a year ago, as did loans to veteran-owned businesses. Loans were up by 23 percent that went to small businesses that export goods and services from Georgia to foreign customers.

Companies in the District's 8(a) Business Development Program were able to obtain 168 federal contracts for \$39.5 million during the fiscal year. These totals include contract awards, purchase orders and modifications. The number of Georgia companies in the 8(a) Program grew from 261 to 281 by the end of the fiscal year.

Under 8(a) the SBA is able to use statutory authority to provide business development and federal contract support to small, disadvantaged businesses.

As part of this effort, the Georgia District conducted five "Matchmaker" events that brought together over 1,000 participants with federal contracting agencies and other private sector contractors.

The Surety Bond Guaranty Program showed increases in contract amounts for both bid bonds and final bonds issued by the Georgia District Office. A total of 248 bid bonds were issued to small contractors in Georgia for \$117.6 million, an increase of 16 percent over FY 2003. Another 137 final bonds were issued for approximately \$44 million, a four percent increase over 2003.

The Georgia District Office conducted workshops and counseling for 9,469 clients during the year, more than double last year's volume. The District's Business Information Center (BIC) also provided counseling and workshops for 4,766 people, an increase of 25 percent over FY 2003.

A resource partner of SBA, SCORE volunteers served a total of 10,901 clients statewide during the past fiscal year.

The Atlanta chapter of the SCORE association finished the year ranked No. 2 nationally in numbers of face-to-face small business counseling sessions held in FY 2004. The final tally showed that SCORE in New York had 5,769 sessions, only two ahead of Atlanta's 5,767 sessions.

The University of Georgia Small Business Development Center (SBDC) network is another SBA resource partner. The 20 SBDC offices provided counseling and training to 17,102 clients in the state during the year, a 14 percent increase over FY 2003.

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SBA Names 2004 Minority Small Business of the Year

Eric D. Campbell, President of Campbell Roofing & Construction Inc., is Georgia's 2004 Minority Small Business Person of the Year. SBA Georgia District Director Terri Denison presented the award to Campbell at the Annual Minority Enterprise Development (MED) Week Awards Luncheon in Atlanta.

MED Week is sponsored by the Minority Business Development Agency (MBDA) of the U.S. Department of Commerce and the U.S. Small Business Administration (SBA).

"Mr. Campbell's story is a great example of how a business can benefit from some assistance to overcome obstacles and get a leg up onto the ladder of success," said District Director Denison at the luncheon event.

In 1995, Campbell Roofing was successful in applying for bid bond guarantees through the SBA's Surety Bond program. Soon, Campbell, a native of Mobile, Alabama, was bidding as a prime contractor on small to medium-size contracts at military installations in the Southeast.

In June 1996, Campbell Roofing, based in Byron,



SBA's Denison with Eric and Valliere Campbell

Georgia, was approved for the SBA's 8(a) Business Development Program. In its second year in the program, the company was awarded \$878,000 in 8 (a) contracts as part of its total revenues of \$3 million.

Campbell Roofing, now with 110 employees, posted total revenues of over \$28 million last year.

The SBA Can Help Small Businesses Obtain Contracts

By SBA Regional Administrator Nuby J. Fowler



Each year Uncle Sam spends billions of dollars purchasing goods and services for the military and civilian federal agencies. From computers, office supplies, and medical equipment to engineering services, building construction, and janitorial services, the federal government is the single largest consumer in America. Every sector of the government depends almost entirely on private contractors to supply the tools necessary to carry out its mission.

Because federal law mandates that the government make a fair portion of purchases from small businesses, there is a real opportunity for growing firms to become active in federal procurement. The challenge for many, however, is how to get started. That is where the U.S. Small Business Administration can help.

First of all, SBA has staff stationed in major federal centers across the southeast, working with federal agencies to insure that small businesses get a share of federal contracts and that major federal suppliers give small businesses an opportunity to sub-contract for portions of the large contracts they receive. The SBA issues certificates of competency and provides size determinations as evidence that firms have the capacity to perform and that they meet the definition of a small business. Both are requirements for bidding on jobs that are set-aside for small business.

Through SBA, firms can register on the Central Contract Registration, Dynamic Small Business Search at <http://www.ccr.gov>. This is an online interactive database which provides government agencies and major corporations the profiles of small businesses interested in bidding on federal contracts. Registration is free. The Agency also administers the Surety Bond Program designed to help companies that would not otherwise be able to obtain bid, payment and performance bonds. For Surety Bond information, call 404/33-0100, ext. 702 or 703.

Business owners may find that identifying potential contracting opportunities is less complicated than in the past. These Federal procurement opportunities can be viewed on the Internet at www.fedbizopps.gov.

SBA LOAN HELPS 'MERRY MAIDS' OPEN IN VALDOSTA

Lindsay Scott and his wife Ronda Cross-Scott have used their small business to fill both a personal need and one that affects other two-income families in the South Georgia city of Valdosta. Committed to busy professional and community activities, the Scotts felt that hiring someone to clean their home would give them extra time to be with family and themselves.

But after researching the fast-growing Valdosta area, the Scotts decided to set up their own house-cleaning business to serve the city and surrounding Lowndes County. After looking at various home-cleaning options, the Scotts selected "Merry Maids," a leading home-cleaning franchise that has over 1,100 locations in the United States.

Being familiar with SBA services through a previous business endeavor, the Scotts found information on the internet about the SBA's Microloan Program. The Small Business Assistance Corporation, an SBA microlender based in Savannah, was contacted about financing their new Merry Maids franchise. The Scotts were approved for a \$28,000 SBA Microloan last April and used these funds for working capital, the franchise fee and cleaning equipment.

Lindsay, who was a star receiver on the University of Georgia's 1980 Championship football team, is devoting all his time to running the Merry Maids franchise. Prior to his new business, he spent 10 years in operational management with Roadway Express in Valdosta. Ronda is a graduate of the University of Georgia School of Pharmacy and is employed with the Georgia Division of Public Health in Valdosta. Since they started in June, the Scotts have hired five people for their small business which is being marketed throughout Valdosta and Lowndes County, an area with a population of over 93,000 people.



Lindsay and his wife, Ronda, used an SBA-backed Microloan to establish their new business in the growing City of Valdosta

American Veterans Have Entrepreneurial Spirit, Finds New Study by SBA's Office of Advocacy

American veterans have a strong entrepreneurial spirit, according to a study by the Office of Advocacy. The study, *Entrepreneurship and Business Ownership In the Veteran Population*, shows that 22 percent of veterans are either purchasing or starting a new business, or considering purchasing or starting one.

"Veterans are playing a significant role in our economy," said Thomas M. Sullivan, Chief Counsel for Advocacy. "This study presents new data that will help policy makers to understand that role and continue to encourage veterans' entrepreneurship."

The Veterans Entrepreneurship and Small Business Development Act of 1999 called for the study.

The study showed that more than one-third of both "new veteran-entrepreneurs" and current veteran business-owners gained skills from their active duty service that were directly relevant to business ownership.

The study also said a focus on addressing the challenges of home-based business ownership and Internet use would be helpful to veteran-owned businesses.

The Office of Advocacy is the SBA source for business statistics. For the complete report and data tables, visit www.sba.gov/advo.

SBA Funds two Women Business Centers in the Metro Atlanta Area

The SBA recently provided funding for two Women's Business Centers (WBC) in Atlanta. They are the Cobb Microenterprise Center at Kennesaw State University and the Women's Economic Development Agency (WEDA) in Atlanta.

The two centers are among a total of 105 Women's Business Centers that received approximately \$12 million in new SBA funding during 2004. The SBA's WBC program provides funding for an initial five-year term. Each site is required to match a portion of its federal funds with private contributions, and services are tailored to the community in which the WBC is located.

"Women business owners are one of the fastest growing segments of the small business community," said SBA Georgia District Director Terri Denison. "Our two centers will offer these entrepreneurs professional advice on how best to start or grow their businesses."

Last year, the WBC program served more than 106,612 clients nationwide. The centers are located in rural, urban and suburban areas.

The program also offers an online Women's Business Center that can be accessed at <http://www.onlinewbc.gov>.

For more WBC information, contact Charlotte Johnson at the SBA Georgia District Office at 404/331-0100, ext. 405.



SBA & Postal Service Hold Joint Workshops

The SBA and the U.S. Postal Service held two workshops in FY 2004 for small business in Smyrna and downtown Atlanta. At the Smyrna event were, from left, SCORE Counselor Wanda Braziel, Marjorie M. Brown, Atlanta Postmaster, and Terri L. Denison, SBA Georgia District Director.

Georgia District Office is Accepting Nominations for its 2005 Awards

The Georgia Office of the U.S. Small Business Administration (SBA) is seeking nominations for its 2005 Small Business Person of the Year Award as well as Small Business Champion Awards. Any individual or organization dedicated to the support of the nation's small businesses may submit nominations for the awards.

Nomination packages for the awards must be received at the Georgia District Office on or before **December 3, 2004**. The packages should be sent to: Jim Hightower, Public Information Officer, SBA Georgia District Office, 233 Peachtree St. NE, Harris Tower-Suite 1900, Atlanta, GA 30303

"These awards provide an excellent opportunity to recognize Georgia's small business owners, who are the backbone of our economy, and those individuals who support them," said Georgia District Director Terri Denison.

National Small Business Week will be celebrated in Washington DC April 25-30, 2005. For more information on local awards, contact Jim Hightower at 404/331-0100, ext. 215, or visit the District website at www.sba.gov/ga.

Demand Grows for CommunityExpress Loans in Atlanta

A growing number of entrepreneurs in metro Atlanta are turning to the SBA's CommunityExpress Loan Program, reports the Atlanta SCORE Chapter. SCORE said over the past three months it provided technical assistance to 41 borrowers of CommunityExpress Loans being made by Innovative Bank. This total is up from 7 or 8 approvals per month earlier in the year, said Ray Silva, a member of SCORE and one of the technical advisor to potential borrowers under the program.

"These loans are attractive because they are easy to apply for and require little documentation," explained Silva. The loans made by Innovative Bank are called Small Office Home Office (SOHO) products with the \$5,000 loans offered on a 7-year term, with no pre-payment penalty.

Innovative Bank is making its SOHO Loans in other increments of \$10,000 and \$15,000 depending on the funding requirements. Borrowers must be current on other outstanding loans, and have no outstanding liens, including those for student loans.

A potential borrower must receive SCORE counseling before submitting an application for a loan with Innovative Bank. In these free meetings, a SCORE counselor will complete a form which is a required part of the loan application package. Innovative Bank is holding an information session on CommunityExpress on Dec. 8th at the Atlanta- Fulton County Central Library. During the session each of the attendees is given a brief technical assessment and critical success factors to follow in obtaining start up financing.

Currently, these loans carry an 85 percent SBA guarantee to the lender, with a one-time processing fee. In August, Business Loan Express (BLE) started offering CommunityExpress loans in Georgia as well. BLE's maximum loan is \$25,000 under its program.

SCORE Opens New Office in Coweta County

The explosive growth of small businesses in south Atlanta has prompted the Atlanta Chapter of the SCORE Association to open a counseling site at the Newnan-Coweta Chamber of Commerce.

SCORE began serving the business community at its new location earlier this fall. Initially, counseling is available Tuesday and Thursday by appointment only at the Chamber office at 23 Bullsboro Drive in Newnan. The Chamber phone number is 770/253-2270.

In October, SCORE worked with 15 clients at the new office. The office has worked with 16 clients through mid November, noted staffer Bill Kovack..